

March 23, 2004

The Honorable L. Alma Mansell  
President of the Senate  
and  
The Honorable Martin R. Stephens  
Speaker of the House

Dear President Mansell and Speaker Stephens:

This is to inform you that on March 23, 2004, I vetoed H.B.158, Water Shares in a Municipal Water Company, and have transmitted it to the lieutenant governor for filing.

There is no reasonable basis for a statute that only applies to mutual water companies operated in counties of the first class. This bill would have the effect of allowing an exemption from Public Service Commission regulation, mutual water companies in Salt Lake County and exposing all other mutual water companies in the rest of the state to regulation. The cost of this regulation both to the state and to the water companies is excessive for the benefit derived.

If the bill were to be signed, the Public Service Commission would likely forbear enforcement of the bill for one year until they could get clarifications from the Legislature because of the inequities and uncertainties that would be created.

The Public Service Commission does not have the resources to regulate all the mutual water companies outside of Salt Lake County.

Sincerely,

Olene S. Walker  
Governor